

1997-98 SESSION
COMMITTEE HEARING
RECORDS

Committee Name:

Joint Committee on
Finance
(JC-Fi)

Sample:

- Record of Comm. Proceedings
- 97hrAC-EdR_RCP_pt01a
- 97hrAC-EdR_RCP_pt01b
- 97hrAC-EdR_RCP_pt02

➤ Appointments ... Appt

➤

➤ Clearinghouse Rules ... CRule

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➤ Committee Hearings ... CH

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➤ Executive Sessions ... ES

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➤ Hearing Records ... HR

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➤ Miscellaneous ... Misc

➤ 97hr_JC-Fi_Misc_pt02k_DPR

➤ Record of Comm. Proceedings ... RCP

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Joint Finance

16.505/16.515

14 Day Passive
Reviews

10/17/96 to

12/17/96

SOS/SHS/DNR
10/17/96

STATE OF WISCONSIN

SENATE CHAIR
BRIAN BURKE

Room 302H
P.O. Box 7882
Madison, WI 53707-7882
Phone: (608)266-8535



ASSEMBLY CHAIR
BEN BRANCEL

LL2, 119 Martin Luther King Jr. Blvd.
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JOINT COMMITTEE ON FINANCE

October 17, 1996

Secretary James R. Klauser
Department of Administration
101 East Wilson Street, 10th Floor
Madison, Wisconsin 53707

Dear Secretary Klauser:

On September 27, 1996, ss. 16.515/505(2) requests for the Secretary of State and the State Historical Society were submitted in memorandum from you to us for approval by the Joint Committee on Finance. These requests are approved.

With regard to the Department of Natural Resources request relating to the Waste Tire Program, an objection has been raised and, therefore, a meeting will be scheduled to review this request.

Sincerely,

Handwritten signature of Brian Burke in black ink.

BRIAN BURKE
Senate Chair

Handwritten signature of Ben Brancel in black ink.

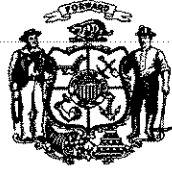
BEN BRANCEL
Assembly Chair

cc: Members, Joint Committee on Finance
Secretary George Meyer, Department of Natural Resources
Linda Nelson, Department of Administration

STATE OF WISCONSIN

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JOINT COMMITTEE ON FINANCE

MEMORANDUM

TO: Members
Joint Committee on Finance

FROM: Senator Brian Burke
Representative Ben Brancel
Co-Chairs, Joint Committee on Finance

DATE: September 27, 1996

RE: s.16.515/16.505 Request

Attached is a copy of a request from the Department of Administration dated September 27, 1996 pursuant to s.16.515/16.505(2) pertaining to requests from the Office of the Secretary of State, the State Historical Society, and the Department of Natural Resources.

Please review these items and notify **Senator Burke's** or **Representative Brancel's** office no later than **Thursday, October 17, 1996** if you have any concerns about the requests or would like the Committee to meet formally to consider them.

Also, please contact us if you need further information.

BB:BB:jc



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

302 100. N HAN

October 11, 1996

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Natural Resources--s.16.515 Request for Waste Tire Program Expenditure Authority

DESCRIPTION OF THE REQUEST

On August 5, 1996, the Department of Natural Resources (DNR) submitted a s. 16.515 request to the Department of Administration (DOA) for increased expenditure authority of \$2,635,700 PR in 1996-97 for the waste tire removal and reimbursement program activities appropriation. DNR requested \$1,135,700 to fully fund waste tire reimbursement grants for calendar year 1995 and \$1,500,000 to fund re-estimated 1996-97 program demand.

On September 27, 1996, DOA recommended that the Joint Committee on Finance approve \$2,428,000 PR in 1996-97 for the program. DOA decreased the requested amount after recalculating the 1995-96 program demand. Of the DOA request, \$928,000 would fund the amount by which 1995-96 program demand exceeded the appropriation and the other \$1,500,000 would fund re-estimated 1996-97 program demand.

If the Committee does not object to the request and notify DOA by October 18, 1996, that the Committee plans to schedule a meeting to consider the request, the DOA recommendation will be approved.

BACKGROUND

The waste tire removal and recycling program was designed to: (a) clean up stockpiles of waste tires that are a threat to public health; (b) promote markets for environmentally sound disposal or recovery of waste tires; and (c) address the on-going problem of illegal tire dumping. The program is funded from a \$2 per tire fee that is assessed on the owner of a motor vehicle

being registered for the first time in Wisconsin (typically \$10 per vehicle including the spare tire). The fee generates approximately \$3.4 million annually. The program is administered with 5.5 positions.

The program has three components: (a) cleanup activities; (b) management or recovery grants; and (c) reimbursement grants. These include:

Cleanup Activities. Since the program's establishment in 1987-88, most of the funds have been used to cleanup approximately two million stockpiled tires annually. DNR funds priority cleanup activities on a continuous basis.

Management or recovery grants. Management or recovery grants are provided for: (a) local government programs that reduce illegal dumping such as collection, education and enforcement; and (b) projects that expand the markets for waste tires such as research and development to create or improve technology to reuse waste tires. Management or recovery grant applications are due March 1 and grant activities must be completed within one year.

Reimbursement grants. Reimbursement grants based on the amount by weight of tires reused by businesses (generally one cent per pound, or \$20 per ton) are provided to end users of waste tires used for energy recovery, road base, recycling to make new products or certain other uses. Eligible uses shall be conducted after June 1, 1990. Administrative rule changes made in 1995 expanded eligibility to include waste tire processors, such as shredders, and eligibility was provided retroactively to include waste tires processed after January 1, 1992. The 1995 rule changes end reimbursement grants for end users and processors on January 1, 1997. Reimbursement grants are awarded every spring for tires used or processed during the previous calendar year.

Effective June 30, 1997, 1995 Act 27: (a) terminates the waste tire fee; (b) eliminates the waste tire program and 5.5 associated positions; and (c) lapses any remaining program balance to the general fund. The lapse was most recently estimated (in January, 1996) to generate \$3.3 million in revenue to the general fund. Act 27 also: (a) converted the program from a continuing to an annual appropriation; (b) re-estimated the waste tire appropriation in accordance with DNR estimates to be \$3,750,000 in 1995-96 and \$1,750,000 in 1996-97; and (c) transferred \$1,250,000 from the waste tire account balance to the segregated environmental fund.

After the program ends on June 30, 1997, high priority cleanups that are not completed by responsible parties could be eligible for funding from the environmental fund. No funding will be available for reimbursement or recovery grants.

DNR's 1997-99 biennial budget request to the Governor includes continued funding for waste tire reimbursement grants of \$1,500,000 in 1997-98 and \$1,000,000 in 1998-99. DNR is proposing to fund the tire reimbursement grant request from the environmental fund instead of extending the waste tire fee beyond the current end date of June 30, 1997. However, DNR has not yet identified a revenue supplement or expenditure reductions to the environmental fund to

support the request. Agency officials indicate a revenue proposal may be submitted to the Governor in November, 1996.

ANALYSIS

Program Demand

Prior to enactment of Act 27, the waste tire program activities appropriation was continuing, and program expenditures met all eligible demand for the three program components. The Act 27 conversion of the appropriation from continuing to annual was intended to limit expenditures to estimated program demand.

In April, 1995, DNR estimated that 1995-96 demand would be \$3,750,000, including: (a) \$500,000 for cleanup activities; (b) \$3,000,000 for reimbursement grants (approximately \$1,500,000 for grants to end users and processors for tires used in calendar year 1995 and \$1,500,000 for retroactive reimbursements to waste tire processors for calendar years 1992 through 1994); and (c) \$250,000 for management or recovery grants. In 1995-96, DNR expended \$3,209,500 for the three program components and encumbered an additional \$727,000 that was carried forward into 1996-97 for possible expenditure.

Administrative rules establish an expenditure plan that allocates \$2,100,000 annually for cleanups, \$750,000 annually for reimbursement grants and \$250,000 for management or recovery grants. The rules also state that if annual revenues are less than \$3,100,000, DNR shall allocate funds first to cleanups, then to reimbursement grants, then to management or recovery grants. In 1995-96, after the appropriation was converted to annual, the rule's expenditure plan and allocation plan were not changed.

In 1995-96, despite the administrative rule requirements, DNR allocated funds to cleanups on a continuous basis, paid the retroactive reimbursement grants for processors in the fall of 1995 and encumbered all recovery grants in March, 1996. Finally, in June, 1996, DNR awarded calendar year 1995 reimbursement grants for end users and processors at 41% of the eligible amount. Table 1 shows 1995-96 reimbursement grant amounts. DNR requests \$1,135,700 to pay the remaining eligible reimbursement grant amounts. In the absence of additional funds, the administrative rule states that a prorated payment shall be deemed full payment of the reimbursement grant. Attachment A shows who received prorated reimbursement grants in 1995-96.

TABLE 1

1995-96 Waste Tire Reimbursement Grants

	<u>Eligible Grant Amount</u>	<u>Award</u>	<u>Remaining Eligible Amount</u>
Retroactive reimbursements for processors for calendar years 1992 through 1994	\$1,619,801	\$1,619,801	\$0
Calendar year 1995 reimbursements for end users and processors	<u>1,926,043</u>	<u>790,352</u>	<u>1,135,691</u>
Total	\$3,545,844	\$2,410,153	\$1,135,691

DNR currently estimates that 1996-97 program demand will be approximately \$3,250,000 as compared to its April, 1995, estimate of \$1,750,000. This would include approximately \$750,000 for cleanup activities to clean up older and smaller tire stockpiles, including approximately four limited term employees in DNR district offices to administer waste tire cleanups. In addition, if DNR determines that ash buried at the site of the 1986 Sommerset tire fire has to be removed because of potential groundwater contamination, the 1996-97 demand for cleanup activities could increase another \$500,000 to \$1,000,000. Actual 1996-97 expenditures for cleanups will depend on the costs of projects that are identified throughout the year.

In April, 1995, DNR estimated that reimbursement grants for calendar year 1995 would be \$1,500,000 but the eligible grant amount was actually \$1,900,000. In April, 1995, DNR estimated that the reimbursement grants for calendar year 1996 would decrease to \$1,000,000 but currently estimates the 1996-97 demand to be \$2,000,000, similar to 1995-96 demand. This would include approximately \$1,500,000 for end users (compared with historical demand prior to calendar year 1995 of approximately \$1,000,000 annually) and \$500,000 for processors. DNR indicates that the pending termination of the reimbursement grant program on June 30, 1997, has encouraged many responsible parties to clean up sites on their own faster than anticipated, thereby increasing the number of waste tires eligible for reimbursement. The actual 1996-97 demand for reimbursement grants will not be known until grant requests are processed in the spring of 1997.

In April, 1995, DNR estimated that demand for management or recovery grants would be \$250,000 per year in 1995-96 and 1996-97, consistent with the administrative rule allocation. In the March, 1996, DNR awarded \$558,000 in recovery grant awards, most of which will be expended by March, 1997. DNR indicates that the increase was the result of many local

governments planning to conduct "clean sweep" tire collections before the program ends on June 30, 1997. DNR estimates that 1996-97 demand for recovery grants will be \$500,000, similar to 1995-96 demand. Actual demand will not be known until grant requests are received on March 1, 1997, and may depend on whether local governments plan tire collections that can be accomplished before the program ends on June 30, 1997.

While it is known that in 1995-96, \$1,135,700 of eligible reimbursement grants were not paid because of insufficient available funds at the time the grant awards were made, the need for funds for 1996-97 demand is less certain. Demand for 1996-97 funds will become clearer after recovery and reimbursement grant requests are submitted in the spring of 1997. If 1996-97 cleanup activities or recovery grants are greater than anticipated, it is likely that DNR would fully-fund those activities before funding reimbursement grants and would prorate reimbursement grants. This means that approval of the request would fund current estimates of demand but may not be sufficient to fund all reimbursement grants if demand for other program funds exceeds current estimates.

Waste Tire Program Balance

Under current law, the estimated waste tire program balance on June 30, 1997 is \$3,967,200. The DOA recommendation of \$2,428,000 would reduce the June 30, 1997, program balance to \$1,539,200. Table 2 shows the estimated waste tire program balance under the DOA recommendation.

TABLE 2

Waste Tire Program Balance

	1995-96 <u>Actual</u>	1996-97 <u>Estimated</u>
Opening Balance	\$4,935,400	\$3,449,200
Waste Tire Fee Revenues	<u>3,369,300</u>	<u>3,400,000</u>
Total Revenues Available	\$8,304,700	\$6,849,200
Expenditures		
Program Activities	3,209,500	1,750,000
Administration	396,000	405,000
Transfer to Environmental Fund	1,250,000	0
Carryover Encumbrances	0	727,000
October, 1996 s. 16.515 Request	<u>0</u>	<u>2,428,000</u>
Total Expenditures	\$4,855,500	\$5,310,000
Closing Balance	\$3,449,200	\$1,539,200

Under current law, the projected June 30, 1997, waste tire balance would result in a lapse to the general fund of almost \$4.0 million, which is almost \$700,000 more than the \$3.3 million previously estimated. The change is due to higher than expected waste tire revenues. Under the DOA recommendation, the June 30, 1997, lapse would be \$1.5 million.

In summary, the scheduled termination date of the program has increased demand for reimbursement and recovery grants, as grant recipients accomplish grant-eligible activities while state funding is available. While revenues have exceeded estimates, demand for reimbursement and recovery grants has also increased in 1995-96, and is currently anticipated to remain at those levels in 1996-97. In addition, the 1995 administrative rule changes increased demand for reimbursement grants by approximately \$500,000 annually for waste tire processors.

Agency and administration officials argue that approval of the request would be consistent with the budgetary intent to fund the estimated cost of all eligible activities. However, it could also be argued that conversion of the appropriation from continuing to annual resulted in limiting expenditures to the available expenditure authority and reserving the program balance to lapse to the general fund when the program terminates. Typically, under an annual appropriation, and consistent with DNR rules for this program, if funding is insufficient to pay all eligible costs, proration occurs.

Approval of the request would: (a) fund the remaining calendar year 1995 (1995-96) reimbursement grants; (b) fund the reestimated 1996-97 program demand; and (c) result in a reduction of estimated general fund revenues on June 30, 1997, of almost \$1.8 million (\$1.5 million rather than \$3.3 million). Denial of the request would: (a) retain the 41% proration of calendar year 1995 reimbursement grants; (b) require DNR prioritization of 1996-97 expenditures and potential proration of calendar year 1996 reimbursement grants and 1996-97 recovery grants; and (c) result in an increase of estimated general fund revenues on June 30, 1997, of approximately \$700,000 over previously expected levels (\$4.0 million rather than \$3.3 million).

Prepared by: Kendra Bonderud
Attachment

ATTACHMENT A

Calendar Year 1995 Waste Tire Reimbursement Grants

<u>Grantee</u>	<u>Address</u>	<u>Total Eligible Grant Amount</u>	<u>Prorated Grant Award June, 1996</u>	<u>Remaining Eligible Grant Amount</u>
An-Gun, Inc.	West Bend, WI	\$36,050	\$14,793	\$21,257
Auburndale Recycling, Inc.	Auburndale, WI	292,128	119,875	172,253
Archer Daniels Midland Co.	Decatur, IL	94,916	38,949	55,967
Babbitt Industries, Inc.	Minneapolis, MN	68,323	28,036	40,287
Bee Line Auto	Edgar, WI	40,920	16,791	24,128
BFI Tire Recyclers of MN	Savage, MN	198,393	81,410	116,982
TR Cochart Tire Recycling	Belgium, WI	38,221	15,684	22,537
Fort Howard Corp.	Green Bay, WI	92,536	37,972	54,564
L&L Sales and Service, Inc.	Appleton, WI	1,813	744	1,069
Lakin General	Chicago, IL	36,952	15,163	21,789
Manitowoc Public Utilities	Manitowoc, WI	5,116	2,099	3,017
Mat-Man, Inc.	Prairie Du Chien, WI	116	47	68
Mensch Manufacturing Inc.	Hastings, MI	175	72	103
Monitor Tire Disposal	St. Martin, MN	2,445	1,003	1,442
Northern States Power Co.	Eau Claire, WI	57,154	23,453	33,701
Otter Tail Power Co.	Big Stone City, SD	223,623	91,764	131,859
Packaging Corp. of America	Tomahawk, WI	324,950	133,343	191,607
Recycled Tire	Kaukauna, WI	9,394	3,855	5,539
Thilmany Division Intl. Paper	Kaukauna, WI	6,222	2,553	3,669
Waste Management, Inc.	Milwaukee, WI	106,412	43,666	62,746
State of WI/DOA	Madison, WI	8,585	3,523	5,062
WP & L Co.	Madison, WI	95,455	39,170	56,285
WP & L Co. Rock River	Beloit, WI	106,282	43,613	62,669
WP & L Co. Nelson Dewey	Cassville, WI	34,607	14,201	20,406
WP & L Edgewater	Sheboygan, WI	<u>45,255</u>	<u>18,570</u>	<u>26,685</u>
TOTAL		\$1,926,043	\$790,352	\$1,135,691

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CORRESPONDENCE MEMORANDUM**STATE OF WISCONSIN
Department of Administration**

Date: September 27, 1996

To: The Honorable Brian Burke, Co-Chair
Joint Committee on Finance

The Honorable Ben Brancel, Co-Chair
Joint Committee on Finance

From: James R. Klauser, Secretary
Department of Administration

Subject: S. 16.515/16.505(2) Requests

Enclosed are requests which have been approved by this department under the authority granted in s. 16.515 and s. 16.505(2). The explanation for each request is included in the attached materials. Listed below is a summary of each item:

<u>AGENCY</u>	<u>DESCRIPTION</u>	<u>1995-96 AMOUNT</u>	<u>FTE</u>	<u>1996-97 AMOUNT</u>	<u>FTE</u>
SOS 20.575(1)(g)	Program Fees			\$106,900*	
SHS 20.245(2)(g)	Admissions, Sales and Other Receipts				0.50
DNR 20.370(2)(dj)	Waste Tire Program			\$2,428,000	

*\$86,700 Ongoing

As provided in s. 16.515, this request will be approved on October 18, 1996, unless we are notified prior to that time that the Joint Committee on Finance wishes to meet in formal session about this request.

Please contact Linda Nelson at 266-3330, or the analyst who reviewed the request in the Division of Executive Budget and Finance, if you have any additional questions.

Attachments

CORRESPONDENCE\MEMORANDUM**STATE OF WISCONSIN
Department of Administration**

Date: September 18, 1996

To: James R. Klauser, Secretary
Department of Administration

From: Orlando Canto
Education and Training Team

Subject: State Historical Society request, under s. 16.505, to create 0.25 PRO FTE at Old World Wisconsin and 0.25 PRO FTE at Wade House.

REQUEST:

The Society requests the creation of a 0.25 PRO FTE (Food Production Manager 2) for the Old World Wisconsin historic site and the creation of 0.25 PRO FTE (Facilities Repair Worker 4) for the Wade House historic site.

REVENUE SOURCES FOR APPROPRIATION(S):

Funds to support the creation of both 0.25 PRO FTE positions come from the admission and sales revenues created by the historic sites. These funds are located in the Society's PRO appropriation under s. 20.245(2g). The appropriation currently has an unallocated revenue balance of \$337,400.

BACKGROUND:

Currently, Old World Wisconsin has a 0.75 PRO FTE Food Production Manager position that, along with LTE help, staffs the operation of the restaurant. The restaurant is open seven days a week during the operating season and has also become a popular spot for Friday night fish fries, banquets and wedding receptions. In addition, the restaurant has recently adopted a practice of opening for off-season activities such as Christmas programs and winter cross country skiing weekend activities. The growth in restaurant operations has resulted in a need for the restaurant's only permanent employee to be available more hours.

The 1995-97 budget bill transferred the operation of the Wade House historic site from the Department of Natural Resources (DNR) to the Society, including a 0.75 GPR FTE Facilities Repair Worker position. The Society has placed greater emphasis on the maintenance of the site, as evidenced by the construction of a new multi-purpose storage building that includes a maintenance shop. The new maintenance shop allows the Society to provide more support of the site's extensive carriage collection. In addition, the site's special event programming has been expanded. In particular, the Civil War reenactment has grown into one of the Midwest's largest. The growth of site activities has increased the demands on the maintenance position beyond the capacity of the present 0.75 FTE.

James R. Klauser, Secretary

9/18/96

Page 2

ANALYSIS:

The growth of the restaurant activities at Old World Wisconsin and the increasing focus on maintenance and special events at Wade House support the need for a full-time position at each of these facilities. Further, the availability of a full-time permanent position at each of these facilities will enhance the Society's stewardship of these two historic sites. Currently, the Society supplements the 0.75 permanent position at each site with a 0.25 LTE appointment to generate a full-time position. This request recognizes the need for a permanent full-time 12-month position at each facility and seeks approval for the additional FTE authority. The additional cost of the increased FTE authority can be absorbed within the Society's existing budget since the Society already budgets for full-time positions (mixture of permanent and LTE) at these facilities.

RECOMMENDATION:

Approve the request.



STATE HISTORICAL
SOCIETY OF WISCONSIN
816 STATE STREET
MADISON, WISCONSIN
53706-1488
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H. NICHOLAS MULLER III
DIRECTOR

Archeology
Archives
Circus World Museum
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Historic Sites
First Capitol
Madeline Island
Old World Wisconsin
Pendarvis
Stonefield
Villa Louis
Wade House
Library
Local History
Publications
School Services
State Historian
State Historical Museum

May 28, 1996

TO: Orlando Canto
State Budget Office
Department of Administration

FROM: Bob Thomasgard, Acting Director

SUBJECT: Request to Create .25 PRO Positions at Old
World Wisconsin and Wade House

The Society requests the creation of (1) a .25 PRO Food Production Manager 2 position at our Old World Wisconsin historic site to increase that position authorization from a .75 FTE to a 1.00 FTE and (2) a .25 PRO Facilities Repair Worker 4 position at our Wade House historic site to increase that position authorization from .75 GPR to .75 GPR and .25 PRO. Each request recognizes the need for full-time positions for these functions and the fact each, in effect, is full-time presently because of a mixture of permanent position and limited term funding.

Old World Wisconsin Restaurant Manager

Although almost a \$350,000 annual operation, the Old World Wisconsin restaurant is presently staffed with only one permanent position -- a .75 Food Production Manager 2 -- as well as limited term employees and volunteers. The restaurant is open seven days a week during the six-month May 1 through October 31 site operating season. During the operating season, the restaurant is also used for banquets (now more than 170 annually), wedding receptions and a popular Friday night fish fry. In recent years, the restaurant has been open during the "off-season" in conjunction with Christmas programming in November and December and winter weekend cross country and sledding activities.

With this growth in the use of the restaurant has come the need for the restaurant's only permanent employee to be available more hours for planning and carrying out these uses. The site has supplemented the .75 FTE position with LTE hours as a stop-gap measure. In effect, the position is a full-time one considering total hours budgeted. To reflect this budgeting and insure management continuity, the position needs to be full-time. The funding for this position authorization increase is already built into the restaurant's LTE budget.

Wade House Maintenance Position

In the 1995-97 budget bill, responsibility for the site's 220 acres was formally transferred from the Department of Natural Resources (DNR) to the Society as well as \$15,500 GPR the DNR had been providing annually through an inter-agency agreement for maintenance of roads, trails, parking lots, grounds, etc. In the past, the Society has used the DNR funding to hire LTEs to assist with that maintenance.

Over the past several years, the maintenance facilities and on-season (i.e. May 1 through October 31) and off-season responsibilities at the site have increased. A new multi-purpose storage facility, including a maintenance shop, has been constructed allowing more repairs and maintenance of the site's extensive carriage collection. Special events programming -- especially a Civil War reenactment which has grown to one of the Midwest's largest and best such events -- has also increased the demands on the position.

As maintenance demands have increased, the .75 FTE position has been supplemented by an LTE appointment. To reflect this and provide continuity for this site's only permanent maintenance position, a full-time position is requested. The position would continue to be funded 75 percent GPR-funded. Rather than use the funding transferred from the DNR to increase the position to 100 percent GPR-funded, it would be easier to use those "new" monies to hire LTEs and purchase supplies and increase the position by creating a .25 FTE PRO-funded maintenance position.

cc: David Pamperin
Tom Woods
Jeff Schultz
Gene Spindler
Dotti Krieger

CORRESPONDENCE/MEMORANDUM

STATE OF WISCONSIN
Department of Administration

Date: September 11, 1996

To: James R. Klauser, Secretary
Department of Administration

From: Paul Ziegler, Policy and Budget Analyst
State Budget Office

Subject: Office of the Secretary of State's s.16.505/515 request.



Request

The Office of the Secretary of State requests additional expenditure authority of \$106,900 in FY97 for appropriation s.20.575(1)(g), Program fees, for general program operations. Of the amount requested, \$96,700 is for ongoing funding.

Revenue Source for the Appropriation

The sources of revenue for the appropriation under s.20.575(1)(g), Program fees, are notary commission, trademark registration, and authentication fees. The appropriation also receives \$200,000 annually from the general program operations appropriation of the Department of Financial Services (s.20.144(1)(g)).

Background

1995 Act 27 restructured the Office of the Secretary of State (OSS) by transferring responsibilities for business registration and Uniform Commercial Code filings from OSS to the newly created Department of Financial Institutions (DFI). The OSS retained responsibility for issuing notary commissions, registering trademarks, publishing new laws, filing oaths of office, recording municipal annexations, and maintaining other government documents.

The OSS is making this request to gain sufficient expenditure authority for the agency to conduct its remaining responsibilities.

Analysis

The agency's request has two components:

One-time LTE funding	\$10,200
Ongoing Supplies and services funding	\$96,700

One-time LTE funding

The agency requests \$10,200 to allow the hiring of a limited-term program assistant 1 for six months. The OSS indicates two reasons for this request. First, the number of notary commissions, trademark registrations, and requests for authentication (i.e. certification that a seal and signature are genuine) have risen -- creating greater workload pressures. Secondly, a backlog in these activities has been created by several unexpected employee leaves and a need to train remaining employees in functions previously handled by positions that were transferred to DFI or deleted by Act 27.

Supplies and services

The agency requests \$96,700 to provide sufficient funding for the agency's rent, printing, postage, risk management, phone and other general supplies and services needs. Together with existing supplies and services expenditure authority of \$62,300, this request should provide sufficient funding for the remaining OSS functions.

Since better information on the restructured agency's costs is now available, a request to adjust supplies and services funding is not unexpected. Act 27 split all funding in the OSS's budget that was not designated for a specific use according to the number of positions going to DFI versus the number remaining with OSS. Now that the actual rent costs for the OSS have been determined for FY97, it is apparent that this approach understated the agency's space costs. Furthermore, this methodology did not account for the internal reallocation of funds toward governmental record functions that had occurred for several years.

The request does, however, overstate probable ongoing risk management costs. The charges assessed by the Department of Administration for this purpose are, in part, based upon the agency's worker's compensation history. As time progresses, high costs incurred in one-year fall out of the moving averages used in the calculations. While the OSS's request for risk management costs for FY97 is consistent with DOA's charges for this year, the amount provided to the agency for ongoing funding should be reduced from the requested level by \$10,000 to better match future expectations.

Appropriation Cash Balance

The appropriation will have sufficient revenues to support the higher expenditure level provided in this request.

Appropriation Balance Projection

	FY97
BEGINNING BALANCE	\$0
Fees - Authentications	\$37,500
Fees - Notary Commissions	\$262,500
Fees - Trademark Registrations	\$33,000
Transfer from DFI	<u>\$200,000</u>
TOTAL REVENUES	\$533,000
Expenditures (including this request)	\$495,000
Reserves	<u>\$2,000</u>
TOTAL EXPENDITURES	\$497,000
ENDING BALANCE	\$36,000

Approval of the request will reduce GPR-earned. Each year, the appropriation's ending cash balance in excess of 10% of the year's expenditures lapses to the general fund. If the request is denied, about \$106,000 in GPR-earned will be generated in FY97. If the request is approved, no GPR-earned can be expected this fiscal year.

Recommendation

Approve the total dollar amount for FY97 as requested (\$106,900). Reduce, however, the amount of ongoing funding to \$86,700 to account for the likelihood of lower risk management costs in the future.




AUG 14 1996

SECRETARY OF STATE
WISCONSIN

MEMORANDUM

TO: Richard G. Chandler
State Budget Director

FROM: Doug LaFollette 
Secretary of State

DATE: August 13, 1996

SUBJECT: Section 16.515 Request for Increased Expenditure Authority under
Section 20.575 (1) (g)

SUMMARY OF REQUEST

The Office of the Secretary of State is requesting an on-going spending authority supplement in the Supplies and Services line beginning in FY 97 of \$96,700 and a one-time spending authority supplement in the LTE line of \$9,500 and Fringe line of \$700 for FY 97 to its s.20.575 (1) (g), program fees appropriation, in order to maintain the Governor's reorganized Office of the Secretary of State consisting of the Administrative Services Division and the Government Records Division and to do what is required under the Statutes.

BACKGROUND OF REQUEST

The Government Records Division involves requirements set forth in approximately 140 sections of the Wisconsin Statutes. The major program areas deal with issuing Notary Public commissions, registering trademarks and trade names, publishing state laws, and recording the official acts of the Governor and the Legislature. The division audits, processes, and files volumes of papers ranging from documents, which are filed occasionally (such as municipal electric company forms) to the more regular filings of Oaths of Office and Notary Public commission applications. The issuance of authentications and Apostilles for documents which are to be used in another country are also an important function of this division.

Secretary of State 16:515 Request
August 13, 1996
Page 2

Beginning in January, 1996, the agency attempted to alleviate pressure from the increased work load in the Government Records Division due to documented growth in service volume through internal reorganization of duties among specific "desks", specifically trademarks/trade names, Apostilles, and authentications. In addition, with the interagency reorganization mandated by the '95-97 budget and the loss of support staff in the Administrative Services Division and loss of legal counsel, the remaining staff have seen additional duties placed upon them, including mail sorting/handling, purchasing/printing, background checks and resulting correspondence relating to notary applicants, backup to remaining Administrative Services Division's staff in WISMART-related duties (including entering of journal vouchers, purchase orders, payment vouchers, cash receipts, etc.).

The primary function of the Administrative Services Division is to maintain the operating functions for the agency. Within this division are the Secretary of State, his Deputy, and a fiscal position. Supplies and Services cost falling under this division include the entire agency's rent, computer services, and insurance, along with printing, postage, travel, repairs, office supplies, etc. for this division.

ADDITIONAL FUNDING ANALYSIS

Historically, the Government Records Division's allotments have not been in line with the cost of providing the needed services, and we have made adjustments from the Administrative Services Division Subprogram within this appropriation to cover the shortfall over the past several years. For example, Government Records Division's Supplies and Services allotment for FY 96 was \$23,700. Their FY 96 expenditures were \$53,288. We transferred \$29,600 from the Administrative Services Division Subprogram to cover the difference. The above FY 96 expenditure did not include office rental payments, real estate tax payment, any risk management costs, etc. We do not estimate any additional Supplies and Services expenditure increase for FY 97. We need to hire an Administrative Support person in the Government Records Division to "catch-up" on the current backlog and to deal with the increased workload and additional duties as outlined above. Our FY 97 budget allowed zero dollars for the Government Records Division in the LTE line. A six-month LTE position will cost approximately \$9,500, plus \$700 in fringe cost.

Our revised annual rent for FY 97 will be approximately \$55,900 and additional operating expenses are estimated at \$49,800 in the Administrative Services Division for a total of \$98,100. We were allotted \$38,600 in the Supplies and Service line leaving us with an estimated shortfall of \$67,100 in the Administrative Services Division.

REVENUE SOURCES FOR APPROPRIATION

The sources of revenue deposited in Chapter 20.575 (1) (g), general program operations, include fees from notary, trademarks/trade names, authentications, and Apostilles.

CASH FLOW ANALYSIS

Opening balance: 0

Revenues:

Fees - Authentications/Apostilles	\$ 37,500	
Fees - Notary	262,500	
Fees - Trademarks	33,000	
Transfer between appropriation	<u>200,000</u>	
Total	533,000	
Total Available		\$533,000

Expenditures:

Estimated FY 97	495,000	
Reserves: fringe	2,000	
10% Reserve Request	<u>49,700</u>	
Total		\$546,700

Lapse 0

Note: Estimated Reserve Request will be less than 10%; therefore, it is anticipated that no dollars will lapse.

RECOMMENDATION

Provide an on-going Supplies and Services supplement beginning in FY 97 of \$96,700 (Government Records Division's shortfall of \$29,600 and Administrative Services Division's shortfall of \$67,100) and a one-time LTE supplement for FY 97 of \$9,500 to Salary line and \$700 to Fringe line to the agency's Program Fees appropriation under s.20.575 (1) (g) to fund the shortfalls for operating the reorganized Secretary of State Agency.

CC: Paul D. Ziegler

CORRESPONDENCE MEMORANDUM

STATE OF WISCONSIN
Department of Administration

Date: September 9, 1996

To: James R. Klauser, Secretary
Department of Administration

From: Russ Rasmussen
Policy and Budget Analyst

Subject: Request Under s. 16.515 From the Department of Natural Resources For Increased Expenditure Authority for the Waste Tire Program

REQUEST

The Department of Natural Resources (DNR) requests increased expenditure authority of \$2,635,691 in FY97 in appropriation 20.370 (2) (dj) -- waste tire removal and recovery programs; program activities.

REVENUE SOURCES FOR APPROPRIATION

The source of revenue deposited in appropriation 20.370 (2) (dj) -- waste tire removal and recovery programs; program activities - is a tire recovery fee paid on the sale of new vehicles. This fee is \$2 for each tire normally used on the highway plus any spare tire(s).

BACKGROUND

The waste tire program consists of three program components funded through the waste tire removal and recovery programs appropriation (s. 20.370 (2) (dj)), and an administrative component funded through the waste tire removal and recovery programs; administration appropriation (s. 20.370 (2) (dL)). The three program components are:

Waste Tire Reimbursement Grants - Grants that subsidize businesses engaged in waste tire recovery activities. Grant awards are based on the weight of waste tires processed by the business multiplied by a predetermined rate and may be prorated based on available funds.

Waste Management / Recovery Grants - Grants to local municipalities to develop and operate waste tire management programs to reduce illegal dumping. Grants may also be made for recovery projects to expand waste tire markets.

Waste Tire Clean-up Activities - DNR-funded efforts to remove and reuse up to 2 million waste tires annually from nuisance tire dump sites.

The program was initiated in 1990 and the goals and objectives established for it are expected to be reached by the end of fiscal year 1997. Because of this projection, 1995 Act 27 (the 1995-97 biennial budget act) terminated the program at the end of FY97. As a result, any balance remaining in the waste tire program appropriation will lapse to the general fund. This lapse is currently estimated to be \$3.3 million. The program activities appropriation (s. 20.370 (2) (dj)) was also changed from a continuing to an annual appropriation. In addition, Act 27 transferred \$1,250,000 to the Environmental Fund from the balance of the waste tire program appropriation.

ANALYSIS

Program Funding Shortfall

Program revenues from the new vehicle tire fee first are applied to program administration with the remaining available funding applied to program grants and clean-up activities. During the development of the 1995-97 biennial budget, DNR estimated the following needs for each of the three program components:

<u>Component</u>	<u>FY 96</u>	<u>FY 97</u>
Reimbursement Grants	\$3,000,000	\$1,000,000
Recovery Grants	250,000	250,000
Cleanup Activities	<u>500,000</u>	<u>500,000</u>
Total	\$3,750,000	\$1,750,000

These estimates were the basis for the expenditure authority granted in the waste tire program appropriation in Act 27. However, as shown below, actual demand for certain program components during FY 96 have far exceeded these estimates, primarily because responsible parties and grant applicants are anticipating termination of the program. This resulted in a proration of 41% to 26 reimbursement grant recipients.

<u>Component</u>	<u>Estimate</u>	<u>Demand</u>	<u>Difference</u>
Reimbursement Grants	\$3,000,000	\$3,545,800	(\$545,800)
Recovery Grants	250,000	558,000	(308,000)
Cleanup Activities	<u>500,000</u>	<u>574,200</u>	<u>(74,200)</u>
Total	\$3,750,000	\$4,678,000	(\$928,000)

In addition, DNR has reestimated waste tire program needs for FY97 as follows:

<u>Component</u>	<u>Estimate</u>	<u>Re-estimate</u>	<u>Difference</u>
Reimbursement Grants	\$1,000,000	\$2,000,000	(\$1,000,000)
Recovery Grants	250,000	500,000	(250,000)
Cleanup Activities *	<u>500,000</u>	<u>750,000</u>	<u>(250,000)</u>
Total	\$1,750,000	\$3,250,000	(\$1,500,000)

* This cleanup activity estimate is dependent on the disposition of the Beloit Sommerset tire site. If the ash remaining from the burning of 2.5 million tires must be removed due to groundwater contamination, costs could escalate to as much as \$1 million for this location alone.

DNR's total waste tire program shortage (actual and estimated) for the biennium is:

Fiscal Year 1996 -	\$ 928,000
Fiscal Year 1997 -	<u>1,500,000</u>
Total	\$ 2,428,000

Waste Tire Program Revenue Fund Condition

The status of waste tire program revenues compared to expenditures (estimated for FY97) is outlined below:

	<u>FY 96</u>	<u>FY 97</u>
Opening Balance	\$4,935,400	\$3,389,300
Revenues	<u>3,369,300</u>	<u>3,300,000</u>
Total Available	\$8,304,700	\$6,689,300
Expenditures		
Environmental Fund Transfer	\$1,250,000	
Carryover Encumbrances		\$733,500
Program Expenditures	3,269,400	1,750,000
Program Administration	<u>396,000</u>	<u>405,000</u>
Total Expenditures	<u>\$4,915,400</u>	<u>\$2,888,500</u>
Balance	<u>\$3,389,300</u>	<u>\$3,800,800</u>

James R. Klauser, Secretary
September 9, 1996
Page 4

General Program Revenue (GPR) Fund Condition

As stated above, Act 27 provided that any balance remaining in the waste tire appropriation be lapsed to the general fund as GPR-earned. The GPR fund balance for the end of the 1995-97 biennium anticipates a lapse of \$3.3 million from this source. If all of the funding necessary to fully fund the DNR request is approved, the lapse to the general fund would be reduced by \$2,134,900 to \$1,165,100. If additional funding based on the reestimated shortfall of \$2,428,000 is provided, the lapse to the general fund would be reduced by \$1,927,200 to \$1,372,800. In order to maintain the initial lapse estimate, only \$500,000 could be provided to meet the DNR request, resulting in a further proration for waste tire recycling reimbursement grants in FY 97 of an estimated 50%.

Waste Tire Disposal Markets

One of the goals of the waste tire program was to establish a market for disposal through beneficial reuse of waste tires. Waste tire reimbursement grants were established to promote this market. The vast majority of waste tires are shredded and incinerated for energy recovery often by large processors such as utilities. A secondary industry has been established that picks up tires from tire dealers, salvage yards and tire waste sites and, for a fee, delivers them to the processor. These haulers are also paid a portion of the waste tire rebate from the processor. Because of this rebate pass through, competitive market forces have driven down the fee paid by tire dealers and other sources to the point where the rebate from the processor represents most if not all of the profit realized by the haulers. Since this rebate has been prorated, many of these companies are experiencing cash flow problems and could go out of business. This could adversely affect the distribution link between waste tire supply and demand and continued operation of this market.

RECOMMENDATION

Modify the DNR request and increase the FY97 expenditure authority in s. 20.370 (2) (dj) - Waste tire removal and recovery programs: program activities by \$2,428,000 to \$4,178,000.

cc: Rick Chandler
John Montgomery
Dave Schmiedicke

DATE: August 5, 1996 FILE REF: 9310

TO: Richard Chandler, State Budget Director
Department of Administration

FROM: George Meyer, Secretary
Department of Natural Resources

SUBJECT: S. 16.515 Request for Increased Expenditure
Authority for the Waste Tire Program

Issue

In FY96, 26 requests for waste tire recycling reimbursements from 23 facilities totaling \$1,926,043 did not receive full payment of their grant requests. As a result of lack of expenditure authority, the Department was forced to apply a 41% proration to the grant payments to these facilities, leaving a shortfall of \$1,135,691. In FY97, the Department anticipates a shortfall of expenditure authority of approximately \$1,500,000 to meet demand for waste tire reimbursements, waste tire management/recovery grants, and waste tire clean-ups.

Request

The Department requests increased expenditure authority of \$2,635,691 in FY97 for appropriation s. 20.270(2)(dj), Wis. Stats. (numeric 02-235-23). Specifically, the Department requests increased expenditure authority of \$1,135,691 to fully fund waste tire reimbursement grants which did not receive full funding in FY96. In addition, the Department requests increased expenditure authority of \$1,500,000 to meet anticipated demand for waste tire reimbursement grants, waste tire management/recovery grants, and waste tire clean-ups in FY97. There is sufficient revenue in the appropriation balance to fund this request.

This request meets two of the statutory criteria for s. 16.515 requests as follows: (1) the initial allotments in FY96 and FY97 were insufficient to accomplish the purpose for which they were made; and (2) the purposes for which the supplement is requested meets previously authorized direction of the Legislature.

Background

Impact of 1995 WI Act 27 - 1995 Act 27 had two profound impacts on the waste tire program: (1) it terminated the program at the end of FY97; and (2) it changed the waste tire program activities appropriation (s. 20.370(2)(dj) from continuing to annual. As a consequence, at the end of FY95 approximately \$4,704,615 of unencumbered revenue lapsed to the appropriation balance and was unavailable to the Department for the 1995-97 biennium.

Waste Tire Program Components - The Department's waste tire program has three primary components: waste tire reimbursement grants, waste tire management/ recovery grants, and waste tire pile clean-ups. Following is a brief description of each:

1. **Waste Tire Reimbursement Grants** - This program component was designed to financially subsidize those businesses involved in waste tire recovery activities in order to create a market for waste tires and to ensure that a stable waste tire infrastructure remains to handle this waste in the future. The method by which this financial subsidy is distributed is based on the amount (by weight) of waste tires reused by businesses multiplied by a predetermined dollar/weight rate. A list of grantees for FY96 is attached.

Since the program was initiated in 1990, the amount of waste tires recovered has increased every year. It was anticipated that the amount of waste tires recovered would decline in 1995 as a result of the major portion of the waste tires in stockpiles declining in the state. However, the pending termination of the reimbursement grants after FY97 has encouraged many responsible parties to clean up sites on their own faster than anticipated, thereby increasing the number of waste tires eligible for reimbursement. In Wisconsin today, nearly all waste tires generated are reused in energy recovery. The recycling rate of waste tires now exceeds that of aluminum cans, glass, plastics, etc. The underestimate of expenditures was partially a result of an unanticipated extraordinary success in directing responsible parties to clean-up on their own and the cooperation of businesses to continue to recycle and increase the recycling rate of waste tires.

2. **Waste Management/Recovery Grants** - This program component funds two primary activities: (1) the operation or development of waste tire management programs by local units of government to reduce illegal dumping; and (2) the development of environmentally sound recovery projects that expand the markets for waste tires.

Participation in the waste tire management/recovery grant component in FY96 was more than three times higher than expected. Originally, the Department estimated that about \$150,000 would be awarded to local units of government to conduct clean sweep type activities. However, 558,049 of FY 96 grant requests are pending payment at this time (a list of the grantees is attached). This higher than expected participation rate was a result of many counties trying to take advantage of the program before it expires next year. It is expected that these higher than anticipated FY96 expenditures will carry through in FY97.

3. Waste Tire Clean-ups - The objective of this program component was to clean-up nuisance tire dumps at rate of 2 million tires per year. The Legislature set clean-up priorities which focused first on the largest piles and those which pose the greatest threat to human health.

While the majority of waste tire stockpiles have been cleaned-up over the first nine years of the program, the Department estimates that clean-ups will exceed what was projected for FY97 based upon recent experiences with some of the older and smaller stock piles of tires. Two examples of such clean-ups that we had not anticipated was the recent discovery of about 250,000 waste tire illegally buried adjacent to a creek in a major urban area and the possible removal of 20,000 cubic yards of ash buried at the site of the Somerset tire fire where approximately 2.5 million tires burned for over a month in October, 1986. Recent data from water leeching through the buried ash indicates the potential for ground water contamination at this site.

Analysis of Need

The two primary reasons for the Department's expenditure authority shortfall relate to increased expenditures as compared to the Department's 1995 assumptions and the change from continuing to annual appropriation:

1. Increased Expenditures - FY95 actual expenditures, FY96 expenditure "demand" (expenditure requests received) and projected expenditures for FY97 exceed the Department's April, 1995 projections for this three year period by \$3,005,125. The primary reason for actual and projected demand exceeding the Departments' anticipated demand is a larger than anticipated number of waste tires which were eligible for reimbursement grants and a larger than anticipated number of grants awarded under the waste management/recovery grant program.

Following is a tabular summary comparing the Department's April, 1995 projections for FY96 and FY97 expenditures for each of the three waste tire program components with actual expenditures for FY96, and projected expenditures for FY97:

Program Component	FY96 Est.	FY96 Act.*	FY97 Est.	FY97 Act.
Cleanups	\$500,000	\$313,560	\$500,000	\$750,000
Reimbursement Grants	\$2,950,000	\$3,545,844	\$1,000,000	\$2,000,000
Recovery Grants	\$250,000	\$558,049	\$250,000	\$500,000
TOTAL	\$3,700,000	\$4,417,453	\$1,750,000	\$3,250,000

* Includes payments pending.

2. Change from Continuing to Annual Appropriation - The Department's April 1995 projections assumed that \$5,374,221 of unencumbered revenue would carry-over and be available to the Department in FY96. However, as Act 27 changed the appropriation from continuing to annual, there was no unencumbered revenue carried-over into FY96.

The net result of these two items is a \$2.8 million shortfall in expenditure authority by the end of FY97.

If you have any questions on this request, please contact Al Shea, Bureau of Management and Budget (267-2759) or Paul Kozier, Bureau of Waste Management (267-9388).

cc: Al Shea - MB/5
Jay Hochmuth - AD/5
Paul Kozier - WM/3
Jim Goodno - FN/1
Mark McDermid - SW/3
Paul Didier - WM/3

CORRESPONDENCE/MEMORANDUM

State of Wisconsin

DATE: September 27, 1995

IN REPLY REFER TO: 9300-1

TO: Harry Ogden

FROM: Tim Swan *TS***RECEIVED**

SEP 28 1995

BUREAU OF SOLID
HAZARDOUS WASTE MANAGEMENT

SUBJECT: 1995 Tire Reimbursement Grant Payments

Enclosed are 12 Requests for Reimbursement under the Tire Reimbursement Grant program. Each has been reviewed and verified by Paul Koziar and approved for payment by SW, reports for which are also enclosed. Paul says only one more grantee will be submitting documentation; that should be received shortly.

Note that several of the grantees are being reimbursed at the higher two cent rate now authorized by ch. NR 555.08, Wis. Adm. Code for using waste tires in asphalt or in the manufacture of a product via chemical or physical bonding.

Please process payments as follows:

<u>Grantee</u>	<u>Pounds of tires used</u>	<u>Rate/lb.</u>	<u>Reimbursement due</u>
An-Gun, Inc.	6,026,980	\$.01	\$ 60,269.80
Auburndale Recycling, Inc.	33,066,020	\$.01	330,660.20
	643,820	\$.02	12,876.40
Babbitt Industries, Inc.	718,738	\$.02	14,374.76
Bee Line Auto	10,271,860	\$.01	102,718.60
BFI Tire Recyclers of Minnesota	27,210,880	\$.01	272,108.80
D.R.S. Ltd.	127,214	\$.02	2,544.28
Lakin General Corporation	5,847,041	\$.01	58,470.41
Recycled Tire	913,600	\$.01	9,136.00
TR Cochart Tire Recycling	6,974,260	\$.01	69,742.60
Waste Management Incorporated	23,268,620	\$.01	232,686.20
Wisconsin Power & Light Company	25,970,900	\$.01	259,709.00
U.S. Rubber Reclaiming, Inc.	255,680	\$.02	5,113.60
	-----		-----
Totals	141,295,613		\$1,430,410.65

Any questions, see me or call Paul at 6-9388.

cc: Jim Stenz, FN/1
Paul Koziar, SW/3

CORRESPONDENCE/MEMORANDUM

State of Wisconsin

DATE: October 3, 1995

IN REPLY REFER TO: 9300-1

TO: Harry Ogden

FROM: Tim Swam *JS***RECEIVED**

OCT 03 1995

SUBJECT: 1995 Tire Reimbursement Grant Payment

**BUREAU OF SOLID
HAZARDOUS WASTE MANAGEMENT**

Enclosed is another Request for Reimbursement under the Tire Reimbursement Grant program. It has been reviewed and verified by Paul Koziar and approved for payment by SW, the report for which are also enclosed. This should be the last grantee that will be submitting documentation.

Please process the payment as follows:

<u>Grantee</u>	<u>Pounds of tires used</u>	<u>Rate/lb.</u>	<u>Reimbursement due</u>
Archer Daniels Midland Corp.	18,939,060	\$.01	\$189,390.60

Any questions, see me or call Paul at 6-9388.

cc: Jim Stenz, FN/1
Paul Koziar, SW/3

CORRESPONDENCE/MEMORANDUM

State of Wisconsin

DATE: May 28, 1996

IN REPLY REFER TO: 9300-1

TO: Harry Ogden

FROM: Tim Swan *TS*

SUBJECT: 1996 Tire Reimbursement Grant Payments

Enclosed are 26 Requests for Reimbursement under the Tire Reimbursement Grant program. Each has been reviewed and verified by Paul Koziar and approved for payment by SW, reports for which are also enclosed.

Several of the grantees are being reimbursed at the higher two cent rate now authorized by ch. NR 555.08, Wis. Adm. Code for using waste tires in asphalt or in the manufacture of a product via chemical or physical bonding.

Please process payments as follows:

<u>Grantee</u>	<u>Pounds of tires used</u>	<u>Rate/lb.</u>	<u>Reimbursement due</u>
An-Gun, Inc. (dba AGI)	3,555,760	\$.01	\$ 35,557.60
	24,630	\$.02	492.60
Auburndale Recycling, Inc.	28,326,120	\$.01	283,261.20
	443,320	\$.02	8,866.40
Archer Daniels Midland Company	9,491,620	\$.01	94,916.20
Babbitt Industries, Inc.	1,708,080	\$.02	34,161.60
	1,708,080	\$.02	34,161.60
Bee Line Auto	4,091,920	\$.01	40,919.60
BFI Tire Recyclers of Minnesota	19,839,260	\$.01	198,392.60
T.R. Cochart Tire Recycling	3,822,140	\$.01	38,221.40
Fort Howard Corporation	9,253,600	\$.01	92,536.00
L & L Sales & Service, Inc.	181,310	\$.01	1,813.10
Lakin General	2,501,414	\$.01	25,014.14
	1,193,754	\$.01	11,937.54
Manitowoc Public Utilities	511,600	\$.01	5,116.00
Mat-Man, Inc.	11,557	\$.01	115.57
Mensch Manufacturing	8,750	\$.02	175.00
Monitor Tire Disposal, Inc.	244,540	\$.01	2,445.40
Northern States Power Co.	5,715,400	\$.01	57,154.00
Otter Tail Power Company	22,362,300	\$.01	223,623.00
Packaging Corporation of America	32,495,000	\$.01	324,950.00
Recycled Tire (dba Gary Weaver Inc.)	922,760	\$.01	9,227.60
	16,600	\$.01	166.00
Thilmany Div., International Paper	622,220	\$.01	6,222.20
Waste Management Incorporated	10,641,180	\$.01	106,411.80
State of Wisconsin, Dept. of Administration;			
Bureau of Engineering; Energy Mgmt.	858,520	\$.01	8,585.20



WASTE TIRE
FISCAL YEAR 1998

GRANTEE	PROJECT	CHECKBOOK	SUBUNIT	PMN	CLASS	ENCUMBRANCES
CLARK COUNTY	98-1	SW38	ENV	PH238	5100	\$27,135.00
IOWA COUNTY	98-2	SW38	ENV	PH239	5100	\$28,500.00
MONROE COUNTY	98-3	SW38	ENV	PH240	5100	\$50,000.00
CRAWFORD COUNTY	98-5	SW38	ENV	PH241	5100	\$6,750.00
ADAMS COUNTY	98-4	SW38	ENV	PH242	5100	\$43,449.17
JUNEAU COUNTY	98-6	SW38	ENV	PH243	5100	\$50,000.00
TOWN MOLITOR	98-7	SW38	ENV	PH244	5100	\$540.00
RICHLAND COUNTY	98-8	SW38	ENV	PH245	5100	\$11,025.00
CITY MILWAUKEE	98-9	SW38	ENV	PH246	5100	\$50,000.00
ST CROIX COUNTY	98-10	SW38	ENV	PH247	5100	\$31,186.00
PEPIN COUNTY	98-11	SW38	ENV	PH248	5100	\$8,040.00
LAFAYETTE COUNTY	98-13	SW38	ENV	PH250	5100	\$22,875.00
VERNON COUNTY	98-14	SW38	ENV	PH251	5100	\$5,000.00
TOWN BERLIN	98-15	SW38	ENV	PH252	5100	\$2,490.00
SAUK COUNTY	98-16	SW38	ENV	PH253	5100	\$50,000.00
SAWYER COUNTY	98-17	SW38	ENV	PH254	5100	\$13,725.00
CHIPPEWA COUNTY	98-18	SW38	ENV	PH255	5100	\$8,133.33
MANITOWOC COUNTY	98-19	SW38	ENV	PH256	5100	\$50,000.00
GRANT COUNTY	98-20	SW38	ENV	PH257	5100	\$47,450.00
CITY KENOSHA	98-21	SW38	ENV	PH258	5100	\$50,000.00
CLASS CODE 5100 SUBTOTAL ***						\$554,298.50
TRIM RECYCLING	98-12	SW38	ENV	PH249	5700	\$3,750.00
CLASS CODE 5700 SUBTOTAL ***						\$3,750.00
PROGRAM TOTAL ****						\$558,048.50

Purchase Order Issued
FY96 Tire Abatements

<u>Owner</u>	<u>PO date</u>	<u>PO Number</u>	<u>PO amount</u>	<u>Final amount</u>
Busher Tire Company	09/11/95	NMF 96835	5,000.00	6,958.31
McKinnon Family Trust	10/12/95	NMF 97033	7,434.00	15,601.49
Willow River Rod & Gun Club	10/12/95	NMF 97034	2,355.00	6,649.57
Sam's Auto Repair	11/07/95	NMF 97108	8,450.00	10,321.69
Jackson & Coston	11/07/95	NMF 97109	3,975.00	6,567.51
Harold Fenske	11/01/95	NMF 97111	25,000.00	32,933.92
Elliott & Sahir	11/07/95	NMF 97155	1,700.00	1,807.95
Brian Carey	12/28/95	NMF 97347	9,100.00	14,027.90
Mary A. Lynch	01/11/96	NMF 97416	8,797.32	8,797.32
John and Lucille Brereton	01/26/96	NMF 97487	60,000.00	
Florence Heim	01/26/96	NMF 97488	20,000.00	17,046.00
Central Auto Inc.	02/27/96	NMF 97695	17,000.00	40,536.16
12 locations	03/15/96	NMF 97827	60,000.00	120,329.73
Beaver Services, Inc.	03/25/96	NMF 97913	13,000.00	6,358.30
Albert & Ruth Drew	04/02/96	NMF 97976	2,850.00	
Donald Crain, Mary Crain	04/16/96	NMF 98039	2,000.00	3,394.30
3 properties, Dunn County	04/18/96	NMF 98088	22,000.00	19,439.38
Schreiner/Hartung	04/18/96	NMF 98090	3,425.00	2,790.01
Ed Hougseye	04/24/96	NMF 98181	29,000.00	
Blaine's Auto Parts	06/11/96	NMF 98285	4,500.00	
Gayle and Gloria Schroeder	05/17/96	NMF 98298	35,250.00	
Total Orders			340,836.32	313,559.54

20-Apr-95

FUND CONDITION FOR WASTE TIRE ACCOUNT UNDER GOVERNOR'S BUDGET PROPOSAL
(INCLUDES REVISED INFORMATION FOR EXPENDITURES IN FY95 - FY97)

(2) (d) CLEAN-UPS AND GRANTS:

	ACTUAL FY88	ACTUAL FY89	ACTUAL FY90	ACTUAL FY91	ACTUAL FY92	ACTUAL FY93	ACTUAL FY94	ESTIMATED FY95	ESTIMATED FY96	ESTIMATED FY97
OPENING BALANCE	0	250,072	3,205,191	5,214,524	6,688,920	6,915,560	5,840,603	5,661,437	5,874,221	925,702
REVENUE	250,072	2,921,251	2,792,292	2,261,995	2,733,468	2,643,272	2,804,187	2,800,000	2,800,000	2,700,000
APPR. BALANCE	250,072	3,171,323	5,997,483	7,476,519	9,422,388	9,558,832	8,644,790	8,461,437	8,674,221	3,625,702
EXPENDITURES	0	9,946	788,918	787,599	2,506,828	3,718,229	2,983,353	2,588,697	3,950,000	2,000,000
BAL SUBTOTAL	250,072	3,161,377	5,208,565	6,688,920	6,915,560	5,840,603	5,661,437	5,872,740	4,724,221	1,625,702
UNLIQUIDATED ENC.	0	552,107	814,752	2,173,756	2,353,840	1,286,528	788,697	500,000	250,000	0
UNENCUMBERED BAL.	250,072	2,609,270	4,393,813	4,515,164	4,561,720	4,554,075	4,872,740	5,372,740	4,474,221	1,625,702
BUDGET BILL LAPSE									3,800,000	
TOTAL CARRY-OVER	250,072	3,161,377	5,208,565	6,688,920	6,915,560	5,840,603	5,661,437	5,872,740	924,221	1,625,702

(2) (dL) PROGRAM ADMINISTRATION:

	ACTUAL FY88	ACTUAL FY89	ACTUAL FY90	ACTUAL FY91	ACTUAL FY92	ACTUAL FY93	ACTUAL FY94	ESTIMATED FY95	ESTIMATED FY96	ESTIMATED FY97
OPENING BALANCE	0	13,581	556	25,000	22,613	46,257	0	1,481	1,481	1,481
REVENUE	57,659	168,600	196,500	194,500	238,440	210,000	307,051	438,800	438,800	438,800
APPR. BALANCE	57,659	182,181	197,056	219,500	261,053	256,257	307,051	440,281	440,281	440,281
EXPENDITURES	44,079	137,811	166,097	196,887	214,796	202,358	305,570	438,800	438,800	438,800
BAL SUBTOTAL	13,580	44,370	30,959	22,613	46,257	53,899	1,481	1,481	1,481	1,481
UNLIQUIDATED ENC.	13,580	556	25,000	0	0	0	0	0	0	0
UNENCUMBERED BAL.	0	43,814	5,959	22,613	46,257	53,899	1,481	1,481	1,481	1,481
TOTAL CARRY-OVER	13,580	44,370	30,959	22,613	46,257	53,899	1,481	1,481	1,481	1,481
TOTAL UNENC. BAL:	\$250,072	\$2,653,084	\$4,399,772	\$4,537,777	\$4,607,977	\$4,607,974	\$4,874,221	\$5,374,221	\$925,702	\$1,627,183

02-Aug-96

FUND CONDITION FOR WASTE TIRE ACCOUNT UNDER GOVERNOR'S BUDGET PROPOSAL
(INCLUDES REVISED INFORMATION FOR EXPENDITURES IN FY95 - FY97)

(2) (d) CLEAN-UPS AND GRANTS:

ESTIMATED

ACTUAL

ACTUAL

ACTUAL

ACTUAL

ACTUAL

ACTUAL

ACTUAL

ACTUAL

ACTUAL

FY97
(USES EXP.
AUTHORITY)

OPENING BALANCE

ACTUAL
FY88ACTUAL
FY89ACTUAL
FY90ACTUAL
FY91ACTUAL
FY92ACTUAL
FY93ACTUAL
FY94ACTUAL
FY95ACTUAL
FY96ACTUAL
FY97

REVENUE

250,072

250,072

3,205,191

5,214,524

6,688,920

6,915,560

5,894,502

5,715,336

230,753

733,464

APPR. BALANCE

250,072

2,921,251

2,792,292

2,261,995

2,733,468

2,643,272

2,804,187

2,865,650

3,038,672

1,750,000

EXPENDITURES

250,072

3,171,323

5,997,483

7,476,519

9,422,388

9,558,832

8,698,689

8,580,986

3,269,425

2,483,464

BAL SUBTOTAL

0

9,946

788,918

787,599

2,506,828

3,718,229

2,983,353

3,645,617

4,648,205

3,983,464

UNLIQUIDATED ENC.

250,072

3,161,377

5,208,565

6,688,920

6,915,560

5,840,603

5,715,336

4,935,369

4,378,780

(1,500,000)

UNENCUMBERED BAL.

0

552,107

814,752

2,173,756

2,353,840

1,286,528

788,697

230,753

733,464

0

BUDGET BILL LAPSE

250,072

2,609,270

4,393,813

4,515,164

4,561,720

4,554,075

4,926,639

4,704,616

(1,378,780)

(1,500,000)

TOTAL CARRY-OVER

250,072

3,161,377

5,208,565

6,688,920

6,915,560

5,840,603

5,715,336

(4,704,616)

733,464

(1,500,000)

(2) (dL) PROGRAM ADMINISTRATION:

ACTUAL
FY88ACTUAL
FY89ACTUAL
FY90ACTUAL
FY91ACTUAL
FY92ACTUAL
FY93ACTUAL
FY94ACTUAL
FY95ACTUAL
FY96ESTIMATED
FY97

OPENING BALANCE

0

13,581

556

25,000

22,613

46,257

0

1,480

0

0

REVENUE

57,659

168,600

196,500

194,500

238,440

210,000

307,051

373,367

487,200

487,200

APPR. BALANCE

57,659

182,181

197,056

219,500

261,053

256,257

307,051

374,847

487,200

487,200

EXPENDITURES

44,079

137,811

166,097

196,887

214,796

202,358

305,571

374,847

396,015

396,015

BAL SUBTOTAL

13,580

44,370

30,959

22,613

46,257

53,899

1,480

0

0

91,185

UNLIQUIDATED ENC.

13,580

556

25,000

0

0

0

1,480

0

0

0

UNENCUMBERED BAL.

0

43,814

5,959

22,613

46,257

53,899

0

0

0

91,185

BUDGET BILL LAPSE

13,580

44,370

30,959

22,613

46,257

53,899

1,480

0

(91,185)

(91,185)

TOTAL CARRY-OVER

13,580

44,370

30,959

22,613

46,257

53,899

1,480

0

0

0

TOTAL UNENCUM. BAL:

\$250,072

\$2,653,084

\$4,399,772

\$4,537,777

\$4,607,977

\$4,607,974

\$4,926,639

\$4,704,616

\$733,464

(\$1,500,000)

CORRESPONDENCE MEMORANDUM

**STATE OF WISCONSIN
Department of Administration**

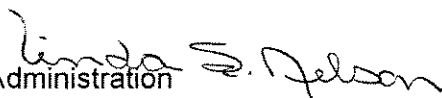
Date: October 1, 1996

To: The Honorable Brian Burke, Co-Chair
Joint Committee on Finance

The Honorable Ben Brancel, Co-Chair
Joint Committee on Finance

From:

Linda S. Nelson
Department of Administration



Subject: S. 16.515/16.505(2) Request Dated September 27, 1996

Please replace the following page with the enclosed three pages in the DNR
Waste Tire Program request:

The May 28, 1996, memo to Harry Ogden from Tim Swan (the second page of
this memo was not included).

Thank you. If you have any questions, please don't hesitate to contact me at
266-3330.

CORRESPONDENCE/MEMORANDUM

State of Wisconsin

DATE: May 28, 1996

IN REPLY REFER TO: 9300-1

TO: Harry Ogden

FROM: Tim Swan *TS*

SUBJECT: 1996 Tire Reimbursement Grant Payments

Enclosed are 26 Requests for Reimbursement under the Tire Reimbursement Grant program. Each has been reviewed and verified by Paul Koziar and approved for payment by SW, reports for which are also enclosed.

Several of the grantees are being reimbursed at the higher two cent rate now authorized by ch. NR 555.08, Wis. Adm. Code for using waste tires in asphalt or in the manufacture of a product via chemical or physical bonding.

Please process payments as follows:

<u>Grantee</u>	<u>Pounds of tires used</u>	<u>Rate/lb.</u>	<u>Reimbursement due</u>
An-Gun, Inc. (dba AGI)	3,555,760	\$.01	\$ 35,557.60
	24,630	\$.02	492.60
Auburndale Recycling, Inc.	28,326,120	\$.01	283,261.20
	443,320	\$.02	8,866.40
Archer Daniels Midland Company	9,491,620	\$.01	94,916.20
Babbitt Industries, Inc.	1,708,080	\$.02	34,161.60
	1,708,080	\$.02	34,161.60
Bee Line Auto	4,091,920	\$.01	40,919.60
BFI Tire Recyclers of Minnesota	19,839,260	\$.01	198,392.60
T.R. Cochart Tire Recycling	3,822,140	\$.01	38,221.40
Fort Howard Corporation	9,253,600	\$.01	92,536.00
L & L Sales & Service, Inc.	181,310	\$.01	1,813.10
Lakin General	2,501,414	\$.01	25,014.14
	1,193,754	\$.01	11,937.54
Manitowoc Public Utilities	511,600	\$.01	5,116.00
Mat-Man, Inc.	11,557	\$.01	115.57
Mensch Manufacturing	8,750	\$.02	175.00
Monitor Tire Disposal, Inc.	244,540	\$.01	2,445.40
Northern States Power Co.	5,715,400	\$.01	57,154.00
Otter Tail Power Company	22,362,300	\$.01	223,623.00
Packaging Corporation of America	32,495,000	\$.01	324,950.00
Recycled Tire (dba Gary Weaver Inc.)	922,760	\$.01	9,227.60
	16,600	\$.01	166.00
Thilmany Div., International Paper	622,220	\$.01	6,222.20
Waste Management Incorporated	10,641,180	\$.01	106,411.80
State of Wisconsin, Dept. of Administration;			
Bureau of Engineering; Energy Mgmt.	858,520	\$.01	8,585.20

Wisconsin Power & Light Company	9,545,540	\$.01	95,455.40
Rock River Generating Station	10,628,200	\$.01	106,282.00
Nelson Dewey Generating Station	3,460,680	\$.01	34,606.80
Edgewater Generating Station	4,525,520	\$.01	45,255.20
	-----		-----
Totals	118,711,375		\$1,926,042.75

Any questions, see me or call Paul at 6-9388.

cc: Paul Kozlar, SW/3
File

WASTE TIRE
FISCAL YEAR 1998

GRANTEE	PROJECT	CHECKBOOK	SUBUNIT	PMN	CLASS	ENCUMBRANCES
CLARK COUNTY	98-1	SW36	ENV	PH238	5100	\$27,135.00
IOWA COUNTY	98-2	SW36	ENV	PH239	5100	\$28,500.00
MONROE COUNTY	98-3	SW36	ENV	PH240	5100	\$50,000.00
CRAWFORD COUNTY	98-5	SW36	ENV	PH241	5100	\$6,750.00
ADAMS COUNTY	98-4	SW36	ENV	PH242	5100	\$43,449.17
JUNEAU COUNTY	98-6	SW36	ENV	PH243	5100	\$50,000.00
TOWN MOLITOR	98-7	SW36	ENV	PH244	5100	\$540.00
RICHLAND COUNTY	98-8	SW36	ENV	PH245	5100	\$11,025.00
CITY MILWAUKEE	98-9	SW36	ENV	PH246	5100	\$50,000.00
ST CROIX COUNTY	98-10	SW36	ENV	PH247	5100	\$31,186.00
PEPIN COUNTY	98-11	SW36	ENV	PH248	5100	\$8,040.00
LAFAYETTE COUNTY	98-13	SW36	ENV	PH250	5100	\$22,875.00
VERNON COUNTY	98-14	SW36	ENV	PH251	5100	\$5,000.00
TOWN BERLIN	98-15	SW36	ENV	PH252	5100	\$2,490.00
SAUK COUNTY	98-16	SW36	ENV	PH253	5100	\$50,000.00
SAWYER COUNTY	98-17	SW36	ENV	PH254	5100	\$13,725.00
CHIPPEWA COUNTY	98-18	SW36	ENV	PH255	5100	\$6,133.33
MANITOWOC COUNTY	98-19	SW36	ENV	PH256	5100	\$50,000.00
GRANT COUNTY	98-20	SW36	ENV	PH257	5100	\$47,450.00
CITY KENOSHA	98-21	SW36	ENV	PH258	5100	\$50,000.00
CLASS CODE 5100 SUBTOTAL ***						\$554,298.50
RECYCLING	98-12	SW36	ENV	PH249	5700	\$3,750.00
CLASS CODE 5700 SUBTOTAL ***						\$3,750.00
PROGRAM TOTAL ****						\$558,048.50